

**Hawaii Interagency Council for Transit-Oriented Development**

**Minutes of Meeting No. 32**

**Tuesday, November 12, 2019**

**9:30 am**

**Hawaii Community Development Authority**

**Community Room, 1<sup>st</sup> Floor**

**547 Queen Street, Honolulu, Hawaii**

Members/ Designees Present:	Rodney Funakoshi, Office of Planning (OP), Co-Chair Designee Sara Lin, Office of the Governor Chris Kinimaka, Department of Accounting and General Services (DAGS) Robyn Loudermilk, Department of Education (DOE) Darrell Ing, Department of Hawaiian Home Lands (DHHL) Heidi Hansen Smith, Department of Health (DOH) Malia Taum-Deenik, Department of Human Services (DHS) Russell Tsuji, Department of Land and Natural Resources (DLNR) Wayne Takara, Department of Public Safety (PSD) Charles Vitale, Stadium Authority (SA) Harrison Rue, City & County of Honolulu (City) April Surprenant, County of Hawaii Lyle Tabata, County of Kauai Pam Eaton, County of Maui Betty Lou Larson, Catholic Charities, Housing Advocate Bill Brizee, AHL, Developer Representative Ryan Okahara, U.S. Housing & Urban Development, Honolulu Office (HUD) (Ex-officio)
Members/ Designees Excused:	Craig Hirai, Hawaii Housing Finance & Development Corporation (HHFDC), Co-Chair Jade Butay, Department of Transportation (DOT) Aedward Los Banos, Hawaii Community Development Authority (HCDA) Hakim Ouansafi, Hawaii Public Housing Authority (HPHA) David Lassner, University of Hawaii (UH) Representative Henry Aquino, House of Representatives Senator Lorraine Inouye, State Senate Cyd Miyashiro, American Savings Bank, Business Community Representative
Other Designees/ Alternates Present:	David DePonte, DAGS Ian Hirokawa, DLNR John Fink, SA Nancy Pisicchio, County of Hawaii Marc Takamori, County of Maui Lola Irvin, DOH
TOD Council Staff:	Ruby Edwards, OP Carl Miura, OP

Guests: Melissa White, SSFM  
Robert Nishimoto, Senate Ways and Means Staff  
George Atta  
Jon Gonzalez, HUD  
Ben Trevino, Honolulu Authority for Rapid Transportation  
Franz Kraitz, City DPP  
Catherine Camp, Kamehameha Schools  
Nathalie Razo, PBR  
Stanley Chang, State Senate  
Sydney Hart, Office of Lorraine Inouye  
Allen Kam, Belt Collins

**1. Call to Order**

Rodney Funakoshi, Co-chair Designee, called the meeting to order at 9:30 a.m.

**2. Introduction of Members**

Members and guests introduced themselves.

**3. Review and Approval of Minutes of the October 8, 2019 Meeting**

The October 8, 2019 TOD Council meeting minutes were approved as circulated.

**4. Presentation: Creating, Implementing, and Maintaining Equitable Transit-Oriented**

**Community Development in Hawaii**, Christopher Coes, Smart Growth America (SGA)/LOCUS  
Smart Growth America/LOCUS's vision is that no matter where you live or who you are, you can enjoy living in a community that is healthy, prosperous, and resilient. SGA/LOCUS has worked with State and City agencies on projects such as creating more affordable transportation options to Complete Streets. LOCUS is a group of real estate and investment professionals working to create a network of social impact investors and developers.

When equity is discussed in development, it is about revitalizing communities. LOCUS believes in providing all citizens with resources they need to be successful. Key issues for revitalizing communities is providing infrastructure for the next 20-30 years and addressing climate change.

What is Equitable Transit-Oriented Development? It is defined as a compact, mixed-use development with multi-modal access to jobs, neighborhood-serving stores, and other amenities that also serve the needs of low- and moderate-income people. The issue is whether these individuals can still stay or participate in these neighborhoods.

Smart Growth America works on transportation and housing. Transportation is the second highest expense for many households. During a recent visit to McAllen, Texas, Coes found that the average person spends about 82 percent of their paycheck on housing and transportation. The City has no transportation options available. In many cases, residents need to drive longer distances to obtain cheaper housing, spending more money to use their vehicles. With most Americans being one paycheck away from poverty, the people of McAllen are one car breakdown away from not being able to get to work.

The way communities are built has a direct impact on overall health. Most areas are planned for vehicles. Sidewalks are narrow and unfriendly to pedestrians. Streets are wide and designed for

moving cars faster. There is a lot of surface parking and unattractive, low rise buildings. Communities are now taking a different approach by:

- a. Changing zoning from traditional suburban development to a mixed-use development with retail on the ground floor and apartments or offices above.
- b. Embracing Complete Streets, using wider sidewalks, streetscaping, and prominently striped crosswalks that give pedestrians a high level of safety and comfort. Narrow streets prompt traffic to slow down. Streets are more welcoming.
- c. Making the Community Vibrant. New buildings and upgraded storefronts complete the transformation of once marginal areas into vibrant, walkable neighborhoods. People and business will want to be there.
- d. Making the Community Affordable by ensuring new and existing development includes housing that is affordable for residents.

This can be done with or without transit in a city, suburbs, or rural areas.

LOCUS views places as either walkable or not, because there are rural and suburban places that are very walkable. Every three years, they look at the real estate market to get a better sense of where it is headed. In a study of the top 30 metropolitan areas, they found that:

- a. Walkable urban office space commands a 105% per square-foot premium over rents in drivable suburban areas.
- b. Rental multi-family housing commands a 61% per square-foot premium over rents in drivable suburban areas.

Price premiums continue to grow because there is massive market demand for walkable places. But will this push people out? LOCUS did a social equity analysis of WalkUPs (Walkable Urban Places) using housing costs (80% AMI), transportation costs (80% AMI), and housing mix (the split between renters and owners). Some metro areas with high rent premiums also scored well on the social equity index, including New York City, Washington, DC, Baltimore, Minneapolis-St. Paul, and Boston.

If an individual makes only 80% AMI, it would be better to live in a WalkUP versus a drivable suburban place where a low-income person is spending twice as much on transportation. WalkUPs are more equitable than non-walkable urban places. However, it is another thing to maintain equitability for current residents. Each city needs its own social equity strategy.

What are the benefits of Equitable TOD (eTOD)?

- a. Reduces household spending on transportation, making housing more affordable.
- b. Lowers auto-dependence, congestion, and traffic accidents.
- c. Connects residents to better jobs and life services.
- d. Lessens environmental impacts of development.
- e. Stimulates economic growth and community revitalization.

In the last 15 years, transit agencies and state transportation departments across the U.S. took the lead in addressing equitable TOD since they own a lot of land around the train stations. They've developed a set of requirements for private developers wanting to build housing on agency land. How can the private sector, the state, and county agencies be more engaged to achieve equitable TOD outcomes in the development or redevelopment of private land in TOD areas? To achieve

equitable TOD outcomes, LOCUS believes the important elements to address are: land use, housing, economic development, transportation, parking, and mobility, green, civic, and open space, and climate change/sustainability. The most vulnerable populations around transit stations need to be identified so that an appropriate strategy can be developed to manage gentrification.

In Somerville, Massachusetts, a new light rail station is planned for the area, and the City is working with a developer to create 2.3 million square feet of mixed-use development. The mayor was concerned with bringing in economic development while protecting vulnerable populations and affordable housing. LOCUS assisted the City in establishing the Attainable Housing and Social Equity Initiative (AHSEI) Pilot Program to work with the community to design economic and social equity strategies. They brought together about 25 strategy leaders as well as the community on a monthly basis and set up nine working groups on Economic Development, Housing, Green and Open Space, Civic Space, Parking, Transportation and Mobility, Smart City Infrastructure, Climate Change/Sustainability, Finance, and Place Management Organizations. By having everyone at the table, the group was able to prioritize goals and actions, figure out who is going to manage the process, estimate costs, and determine the source of funding. It is important to price items because social equity costs money.

One of the most important lessons in the social equity development process is that the group needs to develop trust at the beginning. All partners must be at the table. The following were challenges in implementing eTOD in Somerville:

- a. No consensus on who is a community leader. It's essential to define the trusted community leaders that should be at the table for decision making.
- b. Need to recognize that the market for walkable places is moving very fast, with discussions getting adversarial and community groups saying they do not want any development.
- c. Meeting fatigue.
- d. Anxiety over efficient decision making, and a short process timeline.
- e. The desire to study everything.

Coes shared several tools and strategies for community-driven development in TOD locations:

- **Inclusive Investment.** In California, the Los Angeles Regional Open Space and Affordable Housing Collaborative is working with the City and non-profits in neighborhoods to address displacement from Measure A, which provided much-needed funding to build, maintain, and improve local parks, beaches, and open space.
- **Leverage Community Assets.** Create catalysts for economic development that builds on existing community assets, celebrates the culture of a community, and anchors a community through investment.
- **Tenant Protections.** Local governments need to protect vulnerable renters through rent stabilization policies and code enforcement to reduce displacement and unjust evictions before transit stations get built.
- **Policy Link Anti-Displacement Policy Toolkit website ([antidisplacementtoolkit.org](http://antidisplacementtoolkit.org))** offers model policies and strategy ideas that can be used to prevent displacement.

How does everyone ensure Hawaii's future TOD projects meet equitable community standards? AARP has been working with LOCUS and AARP Hawaii stakeholders on a tool—Honolulu's Age Friendly Checklist/Scorecard—for making all City services in Honolulu more age friendly. This will encourage every municipal department to dedicate a portion of its budget to age-friendly projects and initiatives. The program will result in more walkable streets, better housing and

transportation options, increased access to key services and social activities for all ages and abilities, especially the elderly. At some point, AARP Hawaii would like to look at housing, safety, public engagement, transportation, land use, environmental sustainability, and neighborhood character/place as top issues as development projects gets proposed. Based on work done in Minnesota, the scorecard is a useful tool to engage the private sector and community to determine if a project will achieve equitable TOD outcomes.

Opportunity Zones (OZ) can also play a role in achieving equitable TOD. In OZ communities near transit stations, Coes recommends that stakeholders like church groups and major employers be encouraged to participate in the discussion. Too many times, people see it only as a real estate investment. For example, a children's hospital in Columbus, Ohio has been partnering with a local Methodist Church's community development arm to rehabilitate 10-15 substandard, occupied homes a year. This effort targeted individuals who were at least 55 years old because one of the main cost drivers for their emergency room was senior citizens falling in their homes. With their neighborhood being in an OZ, the hospital used unrealized capital gains and created an opportunity fund, and multiplied their current effort going from 15 to 120 homes per year. As a result, the refurbished homes are now ADA and building code compliant, and the neighborhood is retrofitted with permanent affordability locked in.

Sara Lin asked if supporting mom and pop-type businesses in communities requires some form of rent subsidy. Coes replied that this is becoming more of a focus nationally. In New York City, they have a small business anti-displacement policy. The City will provide grants to landlords or future developers to reserve units for small businesses as done for affordable housing. Often, the conversation to help small businesses does not happen.

For community engagement, Coes suggested that someone take the role of "democratization of development." In California, groups are using shared platforms where agencies can engage with residents by sharing ideas, exchanging information, and building trust. On the California Opportunity Zone website, church groups can let the developers know that they have vacant land available for affordable housing. In turn, private developers may want to use the platform to let the community know about their plans. This would be the community development version of LinkedIn and Facebook. The key to this is to have someone manage it.

In Long Island, there are a lot of assets that could be made more walkable in the community, but they are "park and rides" now. Whenever a TOD project was proposed, the same 15 people would show up to oppose it. In response, the developer instituted "crowd-sourced placemaking" by having organizers in the community go door-to-door as well as through an online platform asking people what they want in the community. The developers worked the feedback into their plans before the planning commission. Instead of having the same 15 individuals opposing the project, they had a room full of people supporting it in addition to the online backers. Ideally, this is the type of outreach that developers should move towards.

While the Long Island approach is very effective, this level of vision takes time. The Somerville model identified stakeholders and good community strategy leaders. As part of the process, these community leaders were asked to go back to their own groups to host meetings, receive feedback, and report back.

Wayne Takara asked who initiated the strategy. Coes answered that the Mayor and the City initially took the lead, but there was a lot of community opposition. LOCUS was brought on board to

provide technical assistance. The effort was then handed off to the Union Square Neighborhood Council to be responsible for the equitable development strategy.

Takara pointed out the outreach effort in Long Island was able to get the best overall community input while Sommerville may not be as effective. In the Sommerville case, Coes said that the strategy leaders went back to their community groups to receive input.

When working with these community groups, Coes said it is important to provide them with data, such as the cost to build one multi-family housing unit and the cost to build the number of units needed. Social equity projections must be completed to avoid displacing vulnerable residence and small businesses.

**5. Presentation: Honolulu Climate Adaptation Guidelines**, Harrison Rue, City Department of Planning and Permitting and Melissa White, SSFM

Harrison Rue reported that the City is developing climate adaptation guidelines in preparation for sea level rise and other impacts. This is essentially an early-action project to come up with resilience guidelines focused on urbanized areas, which includes examining various regulations. They are calling them TOD Resilience Design Guidelines, but the same principles can apply to other areas without compromising the urban quality. In addition to sea level rise, they are looking at impacts from heat, wind, and flooding. Rue asked Council members and agencies for input and requested that it be provided to the development teams. The guidelines are being developed based on the Oahu Resilience Strategy, and should be issued next spring. The City will be going to ask for more funding next year to do a more comprehensive version of the guidelines. They will also be incorporating some of the language into the TOD Design and Waikiki Special District Design Guidelines.

Melissa White, SSFM Project Manager, provided a brief overview of the project and what the project involves. They have teamed with ARUP to review local, national, and international best practices to see what is currently allowed here and what policies need to be changed in order to foster implementation. During the review of policies, several jurisdictions stood out as examples in developing guideline recommendations, including Miami, New York, Hamburg, and Singapore. New York City already has climate resiliency design guidelines focused mainly on public infrastructure. They also have guidelines for flood risk and urban waterfronts. Honolulu can look to New York for different ways of dealing with risk such as freeboard, flood proofing, and retrofitting buildings. Miami Beach is elevating their streets and developing ways to manage the transition between the street and buildings. In HafenCity, Hamburg, old buildings have been raised or floodproofed. Promenades are elevated, as are city-built roads and open public spaces more than 25 feet above the normal high tide. On a regional scale, Singapore is using a model for a system-wide source-pathway-receptor approach that is implementing new drainage standards.

The project review has looked at various plans, studies, and regulatory documents to find out where the gaps are. Many of the ordinances and codes are undergoing updates now, so they have been researching what the agencies are working on and what they are considering. They are trying to pull it all together so that the report is up-to-date and consistent with what all the agencies are doing. Since this is a developer-targeted document, they are looking mainly at things like transitions between buildings and streets and how to make them enhance the urban environment while adapting to climate change.

The final product will include lots of graphics to communicate resilient design strategies for buildings and public realm transitions. The project team is planning to focus on urban development types representative of new development/redevelopment trends in TOD areas, as well as to provide scalable solutions for different building types. The document will reference existing regulations and provide guidance highlighting upcoming regulatory changes.

The final report will feature four building typologies that are representative of urban Honolulu:

- A. Point Tower and Podium (e.g., The Collection, Keauhou Lane)
  - 1. 8-40+ story tower on mixed-use, multi-level podium structure.
  - 2. Tower and podium are residential, office, or resort-related uses.
  - 3. Parking, lobbying, and ground floor retail in podium.
  - 4. Exposed portions of parking structure wrapped by low or mid-rise residential building.
  
- B. Mid-Rise Apartment Building (400 Keawe)
  - 1. 4-7 stories.
  - 2. L-shaped, U-shaped, or perimeter residential building with courtyard.
  - 3. Retail and/or elevated residential uses on first floor.
  - 4. Wrapped parking structure or rear-sited parking structure.
  
- C. Modern Walk-Up
  - 1. 2-3 stories.
  - 2. Single-family, multi-level attached dwelling units.
  - 3. Individual attached garages, detached garages, or tuck-under parking.
  
- D. Multi-Tenant Commercial
  - 1. 1-3 stories.
  - 2. Integrated parking structure or standalone rear-sited structure.
  - 3. Considerable landscaping and pedestrian amenities between building facades and back of sidewalk.

Each graphic will have a schematic of a building type and callouts of different types of best practices. It will also incorporate information on current building code or anticipated changes. The document will be focusing a lot on the transition between the building and the public right-of-way. Examples of things that will be recommended, include:

- 1. On-site detention, retention, and infiltration for rainfall and flood events.
- 2. Floodable parking areas and courtyards.
- 3. Mitigate heat using green, blue, cool roofs, shade trees, and awnings.
- 4. On-site water reuse and recycling.
- 5. Dry and wet floodproofing of uses on ground floors.
- 6. Elevate sensitive equipment and uses above first floor.
- 7. Floodproof uses below first floor.

White showed examples of how buildings and sidewalks are already built at a higher level than the road. They are also looking at other countries where they have much greater elevation changes, which might be a reality in the future. They are trying to avoid having pedestrians separated at street level next to a giant wall or from various uses.

White emphasized that this is a mini-version, design guidance document that will start the conversation. The final product should be ready in early 2020. They will be coordinating their efforts with various agencies to make sure they are accurately representing their regulations and where they are headed.

Betty Lou Larson said she was shocked to see that Hamburg has built roads and terraces 25 feet high. She felt that it was too much and needed something more doable. Rue answered saying that this project is not determining the height. Mayor Caldwell has already issued a directive requesting City departments to prepare for 3.2 feet in sea level rise by the middle of the century and 6 feet for critical infrastructure by 2100. This is the current guidance established by the Climate Commission. Over the next year or two, they will be figuring out what maps to use for coastal zone management and flooding. FEMA is currently updating their flood maps. The science is going to be changing and strategies are designed to be flexible.

Russell Tsuji expressed concern that the community may not be open to many of these changes. When utilities are being undergrounded and other infrastructure being raised, it seems like some items are being addressed and others not. Also, if buildings and roads are not at the same level, the landscape will not look normal for a while. Right now, the City is not recommending TOD zoning in areas like lower Iwilei or below Dillingham area. The transition is not only from the building to the existing street, but the transition between neighbors need to be considered so that other landowners do not get flooded. It is also about transition over time for raising streets and infrastructure.

Senator Chang asked why there is a need to have landscaping between sidewalks and buildings. Rue mentioned these are based on old City standards, such as in Waikiki. In TOD areas, this is no longer a requirement.

#### **6. Draft TOD Council Annual Report to the Legislature**

Funakoshi explained that the TOD Council is required to submit an annual report to the governor, Legislature, and mayors 20 days prior to the start of session. The draft TOD Council Annual Report was emailed last week to members and designees for their review and comments, and a hardcopy is included in the meeting packet. Since the report needs to be submitted in mid-December and there is no December Council meeting, the Council is being asked to act at this meeting to approve the draft annual report, pending further revisions received by agencies, for submittal by the December deadline. Members were asked to submit any further comments or revisions related to specific agencies or projects to OP by Friday, November 29, 2019.

Action. Tsuji moved to accept the TOD Annual Report for transmittal subject to edits and final approval from the co-chairs. Charlie Vitale seconded the motion. It was approved unanimously.

Larson commented that it was a very good report, but she was wondering how the Council was going to move forward on the planned activities, including the recommendations from the UH Public Policy Center study included in the annual report. She suggested having a longer discussion on these items at some point to determine how they will be incorporated in the Council's future plans. She also noted on page 16 that the Aloha Stadium Redevelopment plan estimated building 2,000 homes. She asked how flexible the TOD requirements are to address the Aloha Homes proposals and other new ideas. Rue remarked that the City TOD plans were based on the numbers that were given to them from State agencies, and if the State wanted to increase the density at some point in the future, he believes the City would consider it.

**7. TOD CIP Projects and Legislative Proposals**

Funakoshi asked if the Council members wanted to share any future TOD-related legislative proposals or CIP funding requests that agencies will be submitting for 2020 session. Lyle Tabata said that Kauai will have a couple of requests. Funakoshi requested that Council members provide information on TOD-related CIP requests or legislation by December 15, 2019. The information will be compiled and provided to the Council members/designees at the January Council meeting. Lin suggested that a standard format or template be used for the CIP requests (e.g., history/status of the proposal, summary of the request, etc.) to better organize the project information and presentations at the January meeting. Funakoshi mentioned that OP is requesting CIP funds for TOD planning statewide, with priority on funding for Neighbor Island TOD planning since previous TOD CIP requests were appropriated for Oahu projects. The 2020 funding request would allow the Council to support TOD master planning initiatives from any of the Neighbor Island counties.

**6. Next Steps - Future Agenda Topics**

- a. Tuesday, December 10, 2019—TOD Council meeting is cancelled.
- b. Tuesday, January 14, 2020—next regular TOD Council meeting.

**7. Announcements**

- Vitale informed everyone that this will be his last meeting since he is leaving the stadium at the end of the year. He thanked everyone for what they have done and will continue to do.

**8. Adjournment**

There being no further business, the meeting was adjourned at 11:24 a.m.

Note: All meeting materials are posted at <http://planning.hawaii.gov/lud/state-tod/hawaii-interagency-council-for-transit-oriented-development-meeting-materials/>.